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THE COMMONWEALTH OF MASSACHUSETTS

Department of Public Utilities

Forty-ninth Annual Report

for the

fiscal year ending

June 30, 1972



October 30, 1972.

To the Honorable Senate and House of Representatives:

We respectfully submit the Forty-ninth Annual Report of the Department of Public Utilities for the fiscal year ended June 30, 1972.

During the fiscal year John R. Verani (Republican) of Wellesley served as Chairman of the Commission through designation by the Governor of the Commonwealth. Other members of the Commission holding office during the year were: Helen P. Ross (Republican) of Melrose, Robert M. Santaniello (Republican) of Springfield, Edward G. Seferian (Democrat) of Watertown, Rudolph A. Sacco (Republican) of Pittsfield, Herbert E. Tucker, Jr., (Democrat) of Wellesley, and Irving E. Kane (Democrat) of Lynn.

RETURNS

The number of corporations, private firms and municipal corporations, persons or associations under the jurisdiction of the Department who are required to file annual returns for the calendar year ended December 31, 1971 with the Accounting Division are as follows:

Railroads	15	Manufacturing Companies doing	
Street Railways	7	an electric business	1
Telephone Companies	10	Water Companies	62
Telegraph Companies	1	Motor Bus Companies	90
Express Companies	1	Municipal Lighting Plants	40
Gas Companies	25	Voluntary Associations	10
Electric Companies	14	Affiliates of Gas and Electric	
		Companies	18

Quarterly financial reports were required from 52 transportation companies which include Railroad, Street Railway and Motor Bus Companies.



In addition to the foregoing, there were within the jurisdiction of the Department 522 regular route common carriers, 7188 irregular route common carriers, 7129 interstate licensed carriers, 379 contract carriers and 93 agricultural carriers actively engaged in the transportation of property for compensation within the Commonwealth. There were also 10 holders of transportation brokers' licenses.

A statistical outline of the work of the Department is as follows:

Petitions and Applications

Railroads.....	163	Steamship.....	0
Street Railways.....	32	Sale of Securities..	64
Gas and Electric.....	186	Miscellaneous.....	12
Water.....	15	Airlines.....	0
Motor Bus.....	231	Rates and Tariffs ...	8943
Motor Truck.....	1362		
Telephone & Telegraph.....	8		
		Total.....	11,016

Complaints

Railroads.....	100	Motor Truck.....	1648
Street Railways.....	29	Telephone & Telegraph.....	3893
Gas.....	1352	Sale of Securities.....	13
Electric.....	1724	Rates & Tariffs.....	19
Water.....	14		
Motor Bus.....	147	Total .....	8939

Rate Schedules

Railroads (Freight & Passenger)	953	Telephone	54
Gas and Electric.....	488	Telegraph	4 69
Street Railway & Motor Bus.....	79	Miscellaneous Railway	
Water.....	7	Express	11
Aircraft (Freight & Passenger).	3	Motor Truck	
		(Examined & Accepted)	3908
		(Examined & Rejected)	479
		Annual Motor Carrier of	
		Property Reports	2933
		Total.....	8919



The receipts of the Department of Public Utilities for the fiscal year from July 1, 1971 to June 30, 1972 are given below:

ADMINISTRATION DIVISION

Meter Inspection Fees	\$ 93,984.50
Filing of Certain Documents (Administration, Rates, Accounting, Railway & Bus)	58,534.19
Sale of Forms	140.35
Bus Drivers' Examinations	5,607.00
Bus Permits	16,672.00
Bus Drivers' Licenses	19,836.00
Bus Inspections	3,725.00
Miscellaneous	10.05
TOTAL	<u>\$ 198,509.09</u>

COMMERCIAL MOTOR VEHICLE DIVISION

Licenses and Permits Truck Brokers	\$ 10.00
Copies of Documents	460.40
Motor Carrier Stock Acquisition	230.00
Certificates, Permits, Licenses (and transfers of same)	12,140.00
Plate Fees (and transfers of same)	389,094.00
Duplicate Plates and Plate Certificates	483.00
Postage	28,945.85
Miscellaneous	350.00
TOTAL	<u>\$ 431,713.25</u>

SECURITIES DIVISION

Fees (Notice of Intentions and Petitions)	\$ 48,225.00
Brokers and Salesmen's Licenses	198,665.00
Miscellaneous	0
TOTAL	<u>\$ 246,890.00</u>

TOTAL DEPARTMENTAL INCOME FOR 1972 FISCAL YEAR \$ 877,112.34



CAPITAL STOCK AND BONDS

Twenty-one applications for the approval of the issue and sale of stock, bonds or notes by gas electric and water companies were processed and approved during the year from July 1, 1971 to June 30, 1971. The par value of the stock requested totalled \$68,439,450 and the total proceeds from the issue price amounted to \$ 82,933,161 Long-term debt consisting of bonds or notes amounted to \$93,730,000

The following table shows the securities approved for the several companies including both the par value of the stock and the issue price thereof as required by law:



Name of Company	Capital Stock Approved			Bonds & Notes	Date
	Amount at Par	Issue Price	Proceeds		
Western Mass. Elec. Co.	\$20,000,000	\$100.457	\$20,091,400		9/16/71
Buzzards Bay Gas Co.				\$ 500,000 (B)	9/22/71
Buzzards Bay Gas Co.				\$1,500,000 (B)	9/22/71
Worcester Gas Light Co.	\$ 1,950,000	\$ 25.00	\$ 1,950,000		10/10/71
Massachusetts Electric Co.	\$15,000,000	\$100.117	\$15,017,550		11/10/71
Hingham Water Company	\$ 1,500,000	\$100.00	\$ 1,500,000	\$ 750,000 (B)	11/10/71
				\$ 1,230,000 (B)	11/10/71
Springfield Gas Light Co.	\$ 3,000,000 (P)	\$100.00	\$ 3,000,000		11/23/71
Lowell Gas Company	\$ 1,100,000 (P)	\$ 25.00	\$ 1,100,000		11/22/71
Buzzards Bay Gas Company	\$ 350,000	\$ 23.00	\$ 825,000		11/22/71
Boston Gas Company	\$ 3,397,000	\$100.00	\$ 3,397,000		12/29/71
Boston Gas Company				\$ 12,000,000 (B)	7/22/71
Berkshire Gas Company	\$ 274,320	\$ 18.50	\$ 507,492	\$ 1,000,000 (B)	2/9/72
Manchester Electric Co.				\$ 250,000 (N)	3/20/72
Buzzards Bay Gas Company				\$ 1,000,000 (B)	4/26/72
Lowell Gas Company				\$ 2,500,000 (B)	4/26/72
Cambridge Electric Company	\$ 1,250,000	\$100.00	\$ 1,250,000	\$ 5,000,000 (N)	5/10/72
Brockton Edison Company				\$ 8,000,000 (B)	5/24/72
Springfield Gas Light Co.				\$ 5,000,000 (N)	5/10/72
New England Power Company				\$ 25,000,000 (B)	6/7/72
Western Mass. Elec. Co.				\$ 30,000,000 (B)	6/7/72
Boston Edison Company	\$10,668,130	\$ 32.25	\$34,294,719		6/14/72

NOTE: (P) Preferred Stock (B) Bonds (N) Notes



LEGISLATIVE RECOMMENDATIONS

Recommendations for legislation filed by the Department for consideration of the 1972 session of the General Court were as follows:

1. AN ACT RELATIVE TO PROTECTION AT GRADE CROSSINGS

This legislation is to amend section 147 of chapter 160 of the General Laws, as most recently amended by chapter 196 of the acts of 1968, by striking out the third sentence thereof. The purpose of the legislation is to eliminate the present exclusion of those communities in the so-called Massachusetts Bay Transportation Authority service area from bearing any part of the cost of installing grade crossing protection within their communities. This Department does not believe that those municipalities should be afforded any benefits or concessions which are not available to other municipalities which may be required to pay their just and equitable share for maintaining proper safety standards at grade crossings.

THIS LEGISLATIVE RECOMMENDATION FAILED OF PASSAGE AT THE 1972 SESSION OF THE GENERAL COURT.

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2. AN ACT AMENDING THE LAW RELATIVE TO THE ISSUANCE OF SPECIAL SERVICE BUS PERMITS.

This proposal would amend section 11A of chapter 159A of the General Laws, as most recently amended by chapter 560 of the acts of 1971, by striking out the third sentence thereof. It has been the experience of this Department and its judgment that limitation of special service trips to a twenty-four hour period would eliminate many educational, cultural or tour trips, which might include lodgings and meals, such as trips offered by carriers to view fall foliage in the Berkshires, Christmas decorations in Sturbridge or Attleboro and ocean scenery on the North Shore and Cape Cod. It seems to us that such restrictions would also drastically affect the income of those citizens who depend upon tourism within the State.

THIS LEGISLATIVE RECOMMENDATION WAS REJECTED BY BOTH BRANCHES OF THE GENERAL COURT.

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3. AN ACT AMENDING THE LAW RELATIVE TO THE ISSUANCE OF SPECIAL SERVICE AND SCHOOL SERVICE BUS PERMITS.

This proposal would amend section 11A of chapter 159A of the General Laws, as most recently amended by chapter 561 of the acts of 1971, by striking out the fifth sentence



and inserting in place thereof a new sentence which reads as follows: "The Department may grant or refuse to grant a permit for such special service, or school service, upon application, after not less than seven days' notice by mail directed to holders of certificates issued under section 7 and of permits issued under this section serving the cities or towns of origin named in such application".

It has been the experience of the Department in complying with this section of law as amended by chapter 561 of the acts of 1971, that it receives opposition from many carriers serving the city or town of destination who could not possibly supply the transportation either financially or sensibly. This results in needless clerical and administrative burdens on this Department, on the carriers involved and on the travelling public. In some instances, one hundred and fifty miles or more separate the termini, making it impossible for the carrier serving the point of destination to perform a service originating from such a distance.

The proposal would also reinstitute the responsibility of the Department, formerly contained in the law, to exercise its judgment and expertise as to which holders of certificates and permits might be interested in providing the service in question.

THIS LEGISLATIVE RECOMMENDATION WAS REJECTED BY BOTH BRANCHES OF THE GENERAL COURT.

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4. AN ACT TO AMEND THE REGULATION OF THE STORAGE, TRANSPORTATION AND DISTRIBUTION OF GAS.

The recently formed Federal Department of Transportation was granted authority by Congress over the safety of interstate and intrastate gas-pipe lines. The D.O.T. has adopted a National Safety Code with respect to gas-pipe lines. The Department of Public Utilities has been designated agent of the D.O.T. to carry out inspection and enforcement under the National Safety Code within the Commonwealth. The Federal Safety Code requires that this Department have the authority to impose prescribed financial penalties against companies failing to comply with the requirements of the Code, and this proposal would provide such authority.

If the General Court does not provide such authority to this Department this year, this Department will lose its status as agent for the D.O.T. within the Commonwealth and the Commonwealth will lose substantial Federal funds currently provided by the D.O.T. for this purpose.

BOTH BRANCHES OF THE GENERAL COURT REJECTED THIS LEGISLATIVE RECOMMENDATION.

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5. AN ACT RELATIVE TO THE REGISTRATION OF CERTAIN MOTOR VEHICLES.

Under existing law, there is considerable confusion as to the methods under which a motor carrier under chapter 159B of the General Laws is provided with evidence of insurance coverage in order to satisfy the requirements of the compulsory automobile insurance law. In practically all cases, it has been the practice of insurance companies to provide evidence of insurance directly to the carrier, thereby allowing him to go directly to the Registry of Motor Vehicles and register his vehicles. However, insurance companies also file with this Department a certificate of coverage, and this, in turn, makes it necessary for this Department to send a certificate of coverage to the Registry. We believe this to be a duplication of effort and the proposed legislation would correct this duplication.

THIS LEGISLATIVE RECOMMENDATION WAS PASSED BY BOTH BRANCHES OF THE GENERAL COURT AND WAS SIGNED INTO LAW AS CHAPTER 69 OF THE ACTS OF 1972.

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6. AN ACT ELIMINATING THE RECIPROCITY AGREEMENT WITH OTHER STATES IN THE MATTER OF CARRIER PLATE FEES.

Chapter 159B of the General Laws presently provides reciprocity with other states in the matter of various carrier plate fees.

Recently, New Hampshire and Rhode Island eliminated reciprocity with other states, which means that Massachusetts now is the only New England state affording such reciprocity.

The elimination of such reciprocity will provide additional revenues to the Department of approximately \$340,000 based on the figures for the year 1970. The additional revenues will help to defray the increasing costs of administration of this Division.

THIS LEGISLATIVE RECOMMENDATION WAS REJECTED BY BOTH BRANCHES OF THE GENERAL COURT.

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NEW LEGISLATION ENACTED

CHAPTER 197 OF THE ACTS OF 1972 - AN ACT FURTHER REGULATING THE ISSUANCE OF DRIVERS' LICENSES BY THE DEPARTMENT OF PUBLIC UTILITIES TO PERSONS OVER AGE SEVENTY.

Under the provisions of chapter 540 of the acts of 1971, persons who had passed their seventieth birthday were prohibited from obtaining drivers' licenses under section 9 of chapter 159A of the General Laws to operate motor vehicles for the carriage of passengers for hire within the Commonwealth of Massachusetts. As the result of passage of this law, legislation was introduced at the 1972 session of the General Court (House Bill 5245) under which persons who had passed their seventieth birthday could apply for and be granted drivers' licenses if they successfully passed a physical examination in February and August of each year in accordance with requirements established by the Department of Public Utilities.

This legislation passed both branches of the General Court and was signed into law as Chapter 197 of the Acts of 1972.

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CHAPTER 694 OF THE ACTS OF 1972 - AN ACT MAKING UNIFORM THE LAW RELATING TO THE PROMOTION AND SALE OF SECURITIES.

Since August 1921 the enforcement and supervision of the law regulating the promotion and sale of securities and the registration of securities brokers and salesmen within the Commonwealth (Chapter 110A of the General Laws) has been under the jurisdiction of the Commission of the Department of Public Utilities. The responsibility of carrying out enforcement of the "Blue Sky Law" so-called has been performed by the Division of Investigation of Securities within the Department.

Over the past two years a special Advisory Commission has been studying proposed changes in the Commonwealth's law relating to the promotion and sale of securities, and as a result legislation known as the Uniform Securities Act was drafted and submitted to the 1972 session of the General Court for its consideration. The legislation, which is similar to the Federal Securities Law and also laws currently in force in numerous other states of the nation, passed both branches of the Legislature and was signed into law by the Governor of the Commonwealth as Chapter 694 of the Acts of 1972.

In addition to making important changes in the enforcement of the securities law the new legislation also provides for the transfer of the Division of Investigation of Securities from the Department of Public Utilities to the office of the Secretary of State, effective as of November 1, 1972.

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CHAPTER 68L OF THE ACTS OF 1972 - AN ACT INCREASING CERTAIN FEES PAYABLE TO THE COMMONWEALTH.

This Act which became effective on July 31, 1972 increased the fees charged for common carrier and contract carrier distinguishing plates from \$5 each to \$10 each.

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CHAPTER 70L OF THE ACTS OF 1972 - AN ACT AUTHORIZING ANY CITY OR TOWN TO ENTER INTO CONTRACTS TO PROVIDE PUBLIC TRANSPORTATION.

The purpose of this legislation is to assist in the promotion and improvement of local mass transportation facilities through joint action and cooperation of public transportation carriers and the individual municipalities. During 1971 the City of Worcester was authorized to purchase and acquire a number of modern buses and to then lease them to the Worcester Bus Company, the largest public carrier serving the transportation needs of the second largest city in the Commonwealth. This new legislation would enable any city or town which so desired to enter into contracts with public transportation carriers and to provide the necessary financial assistance to guarantee a continuation of local transportation services.

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CHAPTER 798 OF THE ACTS OF 1972 - AN ACT RELATIVE TO LICENSES FOR CERTAIN INTERSTATE CARRIERS OF PROPERTY.

This legislation rewrote Section 10 of Chapter 159B of the General Laws so as to make Massachusetts law compatible with Federal Law 89-170. This change provides for the alternate use of either an identification device or a metal distinguishing plate, also for the issue and use of Cab Cards to be carried or displayed on the vehicle.

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ACCOUNTING DIVISION

Schedules of additions, betterments and retirements to plant and property of the following companies, as filed annually under D.P.U. 4980, were checked by field audits and the associated property was inspected during the fiscal year:

Boston Edison Company  
Boston Gas Company  
Cambridge Electric Company  
Central Massachusetts Gas Company  
Cape & Vineyard Electric Company  
Commonwealth Gas Company  
Fall River Gas Company  
Haverhill Gas Company  
Lawrence Gas Company  
Lowell Gas Company  
Lynn Gas Company  
Manchester Electric Company  
Mystic Valley Gas Company  
Northampton Gas Company  
North Shore Gas Company  
Norwood Gas Company  
Wachusett Gas Company

The properties of the following municipal lighting plants were inspected and schedules of proposed expenditures were reviewed in connection with requests by the respective plants for approval of increased depreciation allowances for Depreciation of Plant and Property, in accordance with Section 57 of Chapter 164 of the General Laws:

Ashburnham  
Wellesley  
Boylston  
Reading  
Danvers  
Wakefield  
Chester

Middleton  
Holden  
Marblehead  
Hingham  
Paxton  
Mansfield



The following is a list of the municipal lighting plants with their percentage of earnings which, from the returns filed in 1972 for the calendar year ending December 31, 1971, appear to have violated the provisions of the statutes which state that no municipal lighting plant shall charge rates which result in earnings in excess of 8 per cent of the Cost of Plant in Service per annum.

Chicopee	8.68%
Groveland	12.45%
Holden	8.63%
Hull	8.96%
Merrimac	9.87%
Reading	10.40%
Rowley	8.34%



TELEPHONE AND TELEGRAPH DIVISION

The Commonwealth of Massachusetts is served by the nine following nine (9) telephone companies; with over 99% by the New England Telephone and Telegraph Company:

\* Business and Professional Men's Exchange, Inc.

Columbia & Rensselaer Telephone Company (as of 8/1/71 merged into Taconic Telephone Corporation, Chatham, New York).

Granby Telephone and Telegraph Company.

Elizabeth Islands Telephone Company.

\* Massachusetts - Connecticut Mobile Telephone Company.

New England Telephone and Telegraph Company.

\* North Shore Communications, Inc.

\* Ram Broadcasting of Massachusetts, Inc.

Richmond Telephone Company.

\* (The above miscellaneous radio carrier, by virtue of inter-connection with land line carriers, thereby giving a through service of radio and telephone becomes an operating telephone company under the jurisdiction of this Department).



As of June 30, 1972, there were 3,661,401 telephone in Massachusetts, representing an increase of 105,193 telephones over the previous year ending June 30, 1971. (These figures pertain only to the New England Telephone Company, excluding the other eight (8) companies which combined are approximately 3,000 telephones), broken down as follows:

	<u>June 30, 1972</u>	<u>June 30, 1971</u>	<u>Increase</u>
Residence Main	1,789,273	1,747,554	41,719
Business Main	307,524	298,215	9,309
Total Main Telephones	2,096,797	2,045,769	51,028
Residence Extensions	775,539	738,513	37,026
PBX & Business "	789,065	771,926	17,139
Total Telephone "	1,564,604	1,510,439	54,165
Total Telephones	3,661,401	3,556,208	105,193

Total Telephone subscribers (terminal) 2,209,357, an increase of 66,313 over the preceding year.

During this period there were 4,167 formal complaints made to the division for assistance relative to telephone and telegraph matters which required special research and investigation, with detailed written reports made on all such complaints. Many informal inquiries were also made to the Director and personnel of the division. (It is estimated that for every formal complaint documented, there were at least five telephone inquiries which were handled with assistance but not documented). There was an increase of 274 complaint investigations over the previous year.

Following is a breakdown of the volume of complaints received over the past few years:



During the full year ending June 30, 1972, this Division had a total of 4,167 complaint investigations with 2,187 being conducted during the first six months of 1972. Comparing these figures with 1964, for the same period, there shows a total of 417 such investigations, all with detailed written reports having been submitted and a matter of record. These figures reveal an increase in the work-load of the Division of over 400% from 1964 to 1971.

The 400% increase in complaints referred to above does not include the continuous telephone calls that are not recorded; only complaints which are ultimately investigated are made part of the physical record. There are an average of seven (7) telephone calls received in which general information is sought, for every complaint or request for investigation received.

Innovations, changes and advancements in telephony and communications and in the field of electronics have come with such amazing rapidity that it may be conservatively estimated that there have been more drastic changes, improvements, new services, etc., in the past 5 to 10 years than there had been during the previous 25 years. A few of these changes include data transmission - electronic switching offices (ESS #1 and #2) - microwave transmission - Telex transmission - miscellaneous radio carriers using inter-connections with land line service (thereby becoming operating telephone companies subject to regulation and control by the Department) - DDD (direct distance dialing without the assistance of an operator) - touch-tone (push-button telephone which uses frequency modulated "musical" tones for switching in lieu of dial pulses - laser (a beam which can be used



for transmission purposes -- "laser" meaning "light amplification stimulated by emissions of radiation") -- information retrieval systems (similar to a computer, storing information before releasing it over a telephone line when queried by a call to a given number) -- confervision service (provides simultaneous visual and audible communication between conferees at telephone company facilities -- commencing in New York on an experimental offering for two years beginning September 1, 1969 - carrier systems (a single pair of wires can be changed into 8 to 12 circuits and carry 8 to 12 conferences simultaneously before converting back to a single pair of wires.



<u>Period</u>	<u>Complaints Received</u>	<u>Increase Over Previous Year</u>
July 1, 1964 - June 30, 1965	867	
July 1, 1965 - June 30, 1966	1,020	153
July 1, 1966 - June 30, 1967	1,122	102
July 1, 1967 - June 30, 1968	1,865	743
July 1, 1968 - June 30, 1969	2,562	697
July 1, 1969 - June 30, 1970	3,576	1,014
July 1, 1970 - June 30, 1971	3,893	317
July 1, 1971 - June 30, 1972	4,167	274

MONTHLY BREAKDOWN AS TO VOLUME OF COMPLAINTS RECEIVED

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
1964	-	-	-	-	-	-	67	58	83	75	49	69
1965	68	77	85	71	59	106	79	83	90	88	78	72
1966	88	68	86	67	81	140	121	110	86	85	95	85
1967	84	75	72	84	97	128	157	176	160	151	141	146
1968	177	150	158	132	133	184	233	217	231	285	191	207
1969	248	185	183	225	166	191	398	308	356	317	258	334
1970	275	334	257	209	231	319	347	239	424	415	314	322
1971	318	343	376	268	222	305	269	243	351	333	405	384
1972	411	409	439	318	304	301						



A summary of the greatest number of complaints and requests for investigation of telephone service follows:

Busy Circuits, Delayed Dial Tone, Line Dead or Out of Order	1,228
Delayed Installation of Service	860
Disconnections and Threatened Disconnections of Service	504
Billing Complaints/Tariff Charges	330
Service in General (there were also people that wished to be registered with no formal complaint)	224
Failure to Receive Incoming Calls	201
Transmission Problems (Noise, Static, and Cross-Wiring, etc.)	153
Deposit Protests and Request for Refund	131
Directory Listings, Intercept and Yellow Page Complaints	87
Miscellaneous	113
Pole, Cable and Wire Complaints	66
Poor/Delayed Repair Service	59
Western Union Complaints	43
Regrades/Number Change, etc.	39
Telephone Company Operational Procedures (bill collection method, etc.)	39
Message Unit complaints	31
Calling Area and Boundary Complaints	22
Threatening, Anonymous, Obscene and Annoyance Calls	21
Equipment failures/Changes, etc.	16
Total	<u>4,167</u>

During this period the Telephone Company notified the division of 203 "major trouble reports" (cable breaks, etc.



During this period there were many tariff changes, which should give an improved telephone service. Some of the more important changes were:

The introduction of regulations, rates and charges for additional Data and Voice Connecting Arrangements for use with customer-provided terminal equipment and communications systems.

The introduction of regulations, rates and charges for a Portable Conference Telephone as a new service offering.

The introduction of Deluxe Panel Telephone, as a new service offering, which has the capability of providing all of the features of a six-button key telephone set as well as space and mounting holes for a microphone and loud-speaker for a speakerphone or home interphone system.

The special finishing of Call Directors up to 30-button capacity in colors other than standard colors.

The introduction of Uniform Service Order Codes (USOC). These codes are intended as an aid to the tariff users for identification of the various service items for ordering purposes.

The introduction of Rates and charges for a 100 Series DATA-PHONE Data Set that will send and receive data information on incoming calls only.

The introduction of regulations, rates and charges for a 10-button key telephone. This new offering will supplement the Telephone Company's current key service offerings by providing tariff coverage to meet the increasing customer demand for a service arrangement of this capacity.

A filing for inward WATS service to terminate, on a single basis only, in Telephone Company or customer-provided equipment,



the purpose of which is to transmit a prerecorded announcement.

A filing for revised message units that will apply for inter-zone messages from Rehoboth, Massachusetts zone and the Massachusetts localities of North Swansea, Seekonk and Southgate of the Metropolitan Providence, Rhode Island exchange to other portions of the exchange.

As a result of these tariff filings, the New England Telephone and Telegraph Company estimates their annual revenues will be affected as follows:

Increase \$533,960.00	Decrease \$225,700.00
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These figures do not include the general rate increase effective February 8, 1972 under D.P.U. Dockets Nos. 16253A and 17150.



BOUNDARY CHANGES BETWEEN THE FOLLOWING TELEPHONE EXCHANGES

CUMMINGTON	-	WORTHINGTON
HANOVER	-	ROCKLAND
SHREWSBURY	-	WORCESTER
FRAMINGHAM	-	NATICK
MILLERS FALLS	-	NORTHFIELD
FALL RIVER	-	NORTH SWANSEA
LEOMINSTER	-	SHIRLEY
NORTON	-	TAUNTON
DORCHESTER	-	MILTON

SCITUATE, WEST WARWICK - PROVIDENCE ZONES of the  
METROPOLITAN PROVIDENCE, RHODE ISLAND, EXCHANGE

RECLASSIFICATION OF MAIN TELEPHONE EXCHANGE SERVICES TO THE  
NEXT HIGHER RATE GROUP IN THE FOLLOWING EXCHANGES:

CANTON - UNLIMITED and MEASURED SERVICE

COHASSET - UNLIMITED SERVICE ONLY

STONEHAM - MEASURED SERVICE ONLY

BREWSTER

LUDLOW

KILGSTON

SANDISFIELD

WILBRAHAM (as a result of this reclassification, one-party  
Unlimited Business Service is no longer offered  
in the Ludlow and Wilbraham Exchanges).

HATFIELD

HOLLISTON



MILLIS (reclassified from Rate Group 2 to Rate Group 4).

GEORGETOWN

MONTAGUE

STERLING (reclassified from Rate Group 3 to Rate Group 6).

EXTENDED LOCAL SERVICE BETWEEN THE FOLLOWING TELEPHONE EXCHANGES

HATFIELD	-	AMHERST
HATFIELD	-	SOUTH DEERFIELD
HATFIELD	-	WILLIAMSBURG
HAVERHILL	-	KINGSTON, NEW HAMPSHIRE
GEORGETOWN	-	LAWRENCE
AMHERST	-	MONTAGUE
BLACKSTONE LOCALITY	-	UXBRIDGE
BLACKSTONE LOCALITY	-	WRENTHAM
POWNAI, VERMONT	-	WILLIAMSTOWN, MASSACHUSETTS
POWNAI, VERMONT	-	NORTH ADAMS, MASSACHUSETTS
POWNAI, VERMONT	-	STAMFORD LOCALITY, VERMONT
HOLLISTON	-	MILFORD
HOLLISTON	-	MILLIS
HOLLISTON	-	NATICK
MILLIS	-	NATICK
BILLERICA	-	CONCORD
STERLING	-	HOLDEN
STERLING	-	WEST BOYLSTON
STERLING	-	WORCESTER



DISCONTINUANCE OF FOUR-PARTY RESIDENCE SERVICE OFFERINGS  
IN THE FOLLOWING TELEPHONE EXCHANGES

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CATAUMET

DENNIS

MONSON

PALMER

WARE

WARREN

This service will no longer be offered for new installations in these exchanges, but present customers may continue at existing locations.

BAY STATE SERVICE

(offered as an optional service in the following exchanges)

BELLINGHAM

HOLLISTON

ROCKPORT

GEORGETOWN

IPSWICH

EVERETT

MELROSE

MEDFORD

BLACKSTONE Locality

WREATHAM



RESIDENCE CIRCLE CALLING SERVICE (offered as an optional  
service in the following exchanges:

DUXBURY

EASTON

MANSFIELD

MALDEN

BELCHERTOWN

BELLINGHAM

HOLLISTON

AMHERST

TOPSFIELD

WRENTHAM

GEORGETOWN

HOLYOKE

NORTHAMPTON

MILLIS

MIDDLEBORO

SCITUATE

MARSHFIELD

MEDWAY

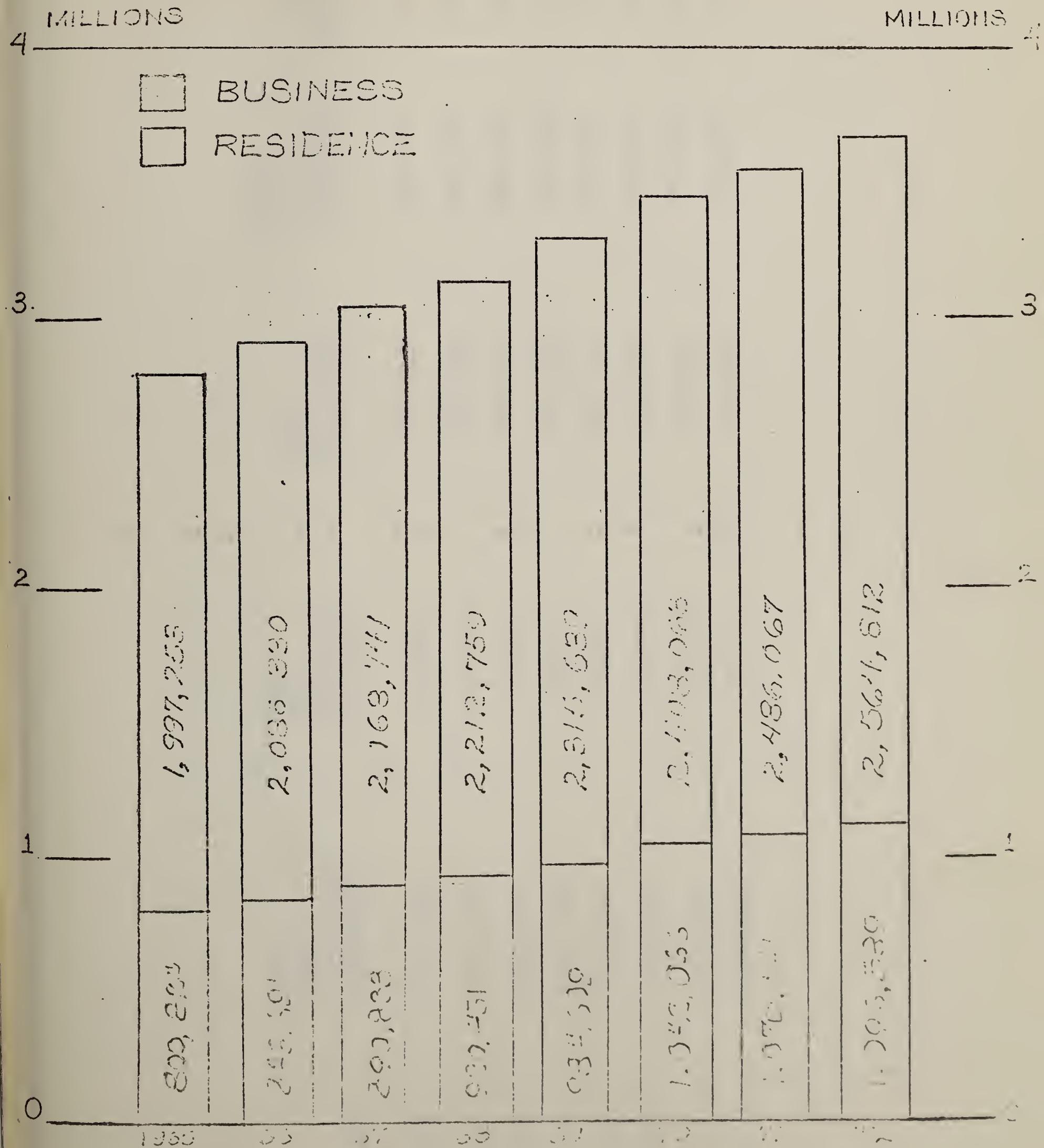
BLACKSTONE LOCALITY



- 25 -  
TELEPHONES IN MASSACHUSETTS

1935 - 1942

AT THE END OF FISCAL YEAR





<u>YEAR</u>	<u>TOTAL MAIN TELEPHONES RESIDENCE</u>	<u>TOTAL MAIN TELEPHONES BUSINESS</u>	<u>TOTAL RESIDENCE EXTENSIONS</u>	<u>TOTAL PBX &amp; BUSINESS EXTENSIONS</u>	<u>TOTAL TELEPHONES</u>
6/30/65	1,493,432	247,856	503,821	552,968	2,798,077
6/30/66	1,536,012	256,458	550,318	587,233	2,930,021
6/30/67	1,578,241	262,650	590,500	628,183	3,059,574
6/30/68	1,590,224	265,257	622,535	655,194	3,133,210
6/30/69	1,651,795	277,865	663,844	706,744	3,300,244
6/30/70	1,704,540	289,793	703,523	752,273	3,450,129
6/30/71	1,747,554	298,215	738,513	771,926	3,556,208
6/30/72	1,789,273	307,524	775,539	789,065	3,661,401



"911" service was made available in the City of Springfield, Massachusetts, in April 1969. It was the first municipality in the state to have the service and the second largest in the United States at that time.

"911" SYSTEMS - IN AND WORKING

<u>City/Town</u>	<u>Service Date</u>	<u>Agencies Served</u>	<u>Population Served</u>
Amherst	11/70	Fire, Police Ambulance	10,306
Lalton	6/71	Fire, Police Ambulance	7,360
Easton	4/72	Fire, Police	12,192
Framingham	9/71	Fire, Police Ambulance	63,122
Mattapoissett	3/71	Fire, Police Ambulance	4,965
Quincy	8/71	Fire, Police	89,260
Randolph	8/71	Fire, Police Ambulance	28,406
Springfield	4/69	Fire, Police Ambulance	174,463
Southbridge	12/71	Fire, Police Ambulance	19,348
Southwick	2/71	Fire, Police Ambulance	1,242
Westfield	2/70	Fire, Police	31,433

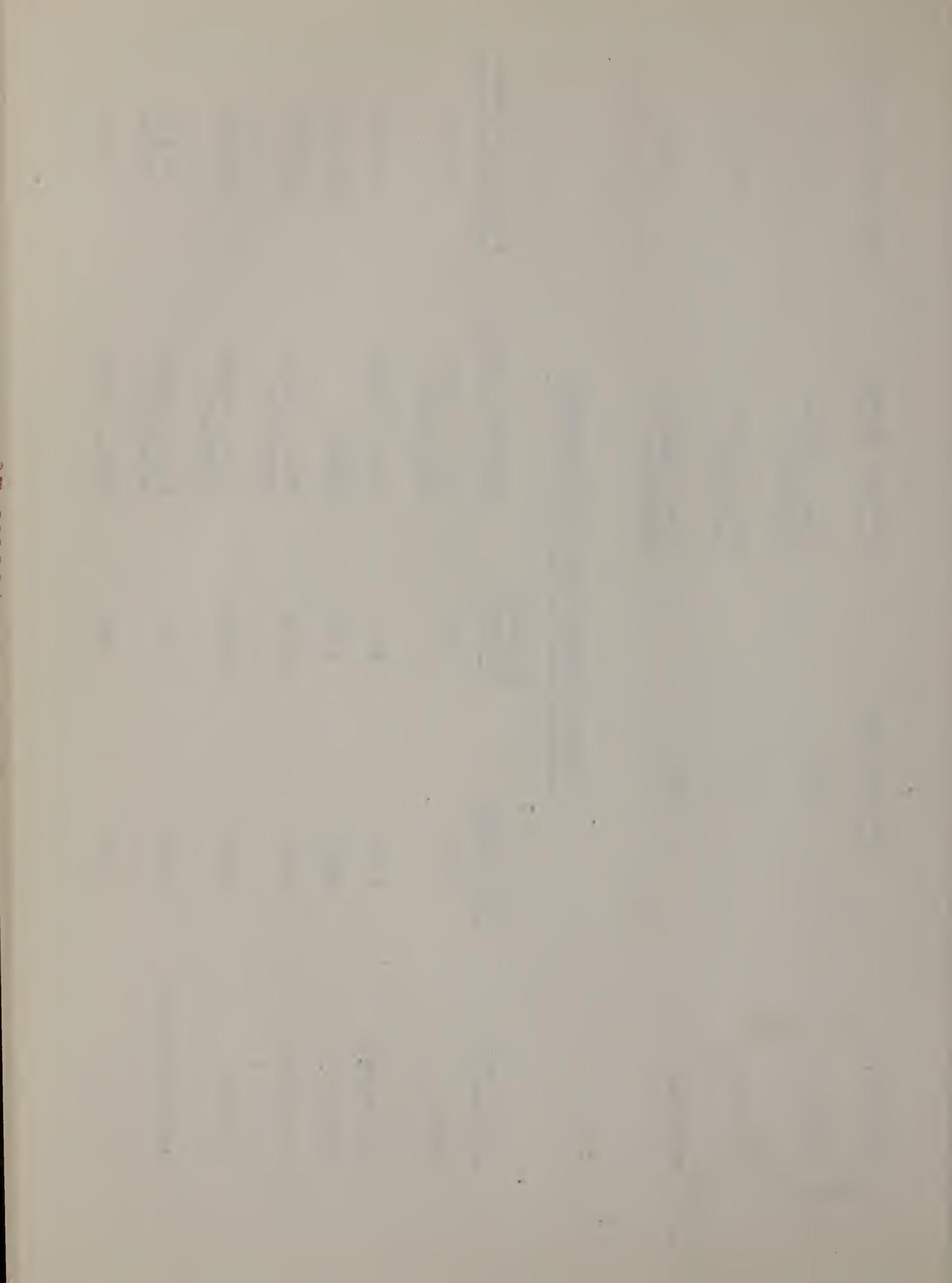


"911" SYSTEMS - IN AND WORKING (continued)

<u>City/Town</u>	<u>Service Date</u>	<u>Agencies Served</u>	<u>Population Served</u>
Woburn	8/71	Fire, Police Ambulance	35,149
Worcester	8/70	Fire, Police Ambulance	186,587
Wrentham	1/72	Fire, Police Ambulance	7,272

"911" SYSTEMS BEING IMPLEMENTED

<u>City/Town</u>	<u>Firm Order</u>	<u>Proposed Cutover</u>	<u>Agencies Served</u>	<u>Population Served</u>
Auburn	2/72	3/73	Fire, Police Ambulance	16,000
Bellingham	1/72	NA	Fire, Police	13,828
Boston	5/71	9/72	Police	800,000
Brookline	12/71	11/72	Fire, Police Ambulance	52,882
Clinton	6/71	10/72	Fire, Police Ambulance	13,383
Hamilton/Wenham	9/71	5/73	Fire, Police Ambulance	6,374 3,814
Medfield	3/70	6/73	Fire, Police	7,690



"911" SYSTEMS BEING IMPLEMENTED (Continued)

<u>City/Town</u>	<u>Firm Order</u>	<u>Proposed Cutover</u>	<u>Agencies Served</u>	<u>Population Served</u>
Middleboro	2/70	10/72	Fire, Police	13,609
Millbury	11/71	3/73	Fire, Police Ambulance	17,173
Milton	10/71	'73	Fire, Police	26,752
Norfolk	9/69	1974	Fire, Police	4,005
Northampton	12/71	11/72	Fire, Police	29,664
Plainville	2/72	NA	Fire, Police	4,963
Topsfield	6/71	5/73	Fire, Police	5,413
Westboro	10/71	3/73	Fire, Police Ambulance	19,262

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"911" SYSTEMS UNDER ACTIVE NEGOTIATION

<u>City/Town</u>	<u>Initial Negotiations</u>	<u>Advanced Negotiations</u>	<u>Remarks</u>
Billerica	5/71	9/71	Awaiting statistical data from municipality.
Bourne	12/71	-	
Breckton	1/72	-	
Chilmsford	3/71	1/72	Awaiting statistical data from municipality.



"911" SYSTEMS UNDER ACTIVE NEGOTIATION (continued)

City/Town	Initial Negotiations	Advanced Negotiations	Remarks
Essex	1/72	-	Pending initial presentation to Board of Selectmen.
Fall River	3/72	-	
Fitchburg	4/71	4/72	Result of study presented to Fire and Police Chiefs for approval.
Grafton	10/69	4/72	Move of Police Headquarters necessitates further study.
Haverhill/Groveland	12/69	2/72	Awaiting further municipal instructions and location.
Leominster	10/69	6/72	Case reactivated - study in progress.
Marshfield	4/72	5/72	Awaiting formal acceptance from municipality.
New Bedford	12/69	3/72	Awaiting decision from municipality
Newton	1/72	5/72	Awaiting decision of City Council.
Peabody	4/71	5/72	Awaiting statistical data from municipality.
Taunton	2/72	-	
Tyngsboro	6/71	9/71	Awaiting statistical data from municipality.
West Newbury	9/71	2/72	Further negotiations necessary



Quality of Service Indicators, submitted monthly to the Department by the New England Telephone & Telegraph Company.

Dial Tone Speed - % Over 3 Seconds in The Busy Hour (1.)

This item measures the percentage of customers' calls in which dial tone is not received within three seconds in the busy hour of the business day. A percentage delay below 2.7 in the busiest hour is considered satisfactory service. Normally, the percentage will run higher on occasion during the busy season, and when weather conditions or other events cause unpredictably high calling volumes. Such conditions may affect one or several offices simultaneously and cause higher than normal results in an individual month.

Dial Service Local - % Equip. Irreg. + Overflows on Local Calls (2.)

This item measures the percentage of dialed local calls which do not reach the called station because of equipment irregularities or overflow. This measurement is a function of the type of equipment and characteristics of an individual office, and may range between 1.2% and 1.6%.

D.D.D. Service - Equip. Block. & Failure Outgoing Trunk (3.)

D.D.D. Service - Equip. Block. & Failure Incoming Trunk (4.)

These items measure the percentage of long distance calls which encounter Equipment Irregularities or Overflows. The data are reported separately for all calls incoming to the state and for calls originating within the state. Results will vary according to the characteristics of the calls (e.g., with respect to distance and seasonal load variations). They represent a cumulative measurement of individual service conditions, some of which (especially in the case of outgoing calls) involve locations outside the state. The normal range of failures is 2% to 4% within the incoming measurement usually running lower than the outgoing measurement.

M O N T H	Y R	(1.)	(2.)	(3.)	(4.)
J U L	7 1	.6	1.1	5.5	2.9
A U G	7 1	.5	1.1	4.8	3.1
S E P	7 1	.7	1.2	5.3	3.3
O C T	7 1	.6	1.2	4.3	3.2
N O V	7 1	.8	1.4	4.3	2.7
D E C	7 1	1.1	1.5	4.6	3.1
J A N	7 2	1.0	1.7	4.7	4.0
F E B	7 2	.9	1.8	5.2	4.4
M A R	7 2	2.0	1.7	4.7	4.8
A P R	7 2	.8	1.7	4.9	3.8
M A Y	7 2	.6	1.3	4.4	3.0
J U N E	7 2	.6	1.1	5.1	3.6



Operator Service

- (1.) Toll and Assistance Answers - This item measures the proportion of recording trunk signals received at Toll and Assistance switchboards which are not answered by an operator in ten seconds or less. Differences among the various offices in terms of volatility of call volumes, types of calls handled and the size of the office limit the significance of a precise measurement. Generally, however, results in the range of 8% to 13% over 10 seconds are regarded as being satisfactory.
- (2.) % Operator Dialed Calls with No Circuit or Reorder - This item provides a measure of circuit or switchboard congestion and equipment difficulties encountered by Company operators. This measurement is subject to the same influences as were described for D.D.D. Service. The normal range is 2% to 4%.
- (3.) Directory Assistance Answers - This item measures the proportion of calls to directory assistance operators which are not answered within ten seconds. Results within a range of 12% to 18% are considered satisfactory.

M O N T H	Y R	( 1 )	( 2 )	( 3 )
J U L	7 1	10.6	3.0	13.4
A U G	7 1	9.4	3.0	11.5
S E P	7 1	9.4	3.1	13.4
O C T	7 1	9.4	3.3	15.0
N O V	7 1	11.7	3.1	17.2
D E C	7 1	11.7	3.1	19.8
J A N	7 2	10.6	3.0	16.2
F E B	7 2	10.6	2.8	13.4
M A R	7 2	9.4	2.6	11.5
A P R	7 2	9.4	2.4	13.4
M A Y	7 2	9.4	2.1	13.4
J U N	7 2	9.4	2.1	13.4



STATISTICAL DATA REPORTS

CUSTOMER TROUBLE REPORTS

(These reports are received by the telephone company and forwarded to the Department as service indicators). The Commonwealth is broken down into five divisions.

(1st line indicates out of service complaints).  
 (2nd line indicates total trouble reports).  
 (3rd line indicates total reports per 100 stations).  
 STATE

MONTH	YR	NORTH	N / EAST	SOUTH	S / EAST	WESTERN	TOTALS
JUL	71	23427	15894	15892	16034	19274	90970
		45079	39617	40542	39998	42529	208496
		7.4	5.4	7.4	4.6	4.9	5.8
AUG	71	27344	16040	17803	18221	20324	99983
		50953	40019	44005	44914	45859	226598
		8.4	5.5	8.0	5.2	5.3	6.2
SEP	71	28950	16191	17274	18922	21742	103709
		57763	41773	46783	49419	49469	246305
		9.6	5.7	8.6	5.7	5.7	6.8
OCT	71	23573	14433	18824	14859	18791	90914
		52763	40784	48562	40957	46466	230419
		8.5	5.6	8.9	4.7	5.3	6.3
NOV	71	24872	15200	18928	17952	19827	97377
		54231	41642	48755	47135	47980	240754
		8.7	5.7	8.8	5.4	5.4	6.5
DEC	71	26696	16625	20065	16627	19351	99823
		54869	41723	54532	45289	47865	245103
		8.8	5.7	9.8	5.2	5.4	6.7



S T A T E T O T A L S

M O N T H Y R N O R T H N / E A S T S O U T H S / E A S T W E S T E R N T O T A L S

MONTH	YR	NORTH	N / EAST	SOUTH	S / EAST	WESTERN	TOTALS
JAN	72	23923	14037	17601	16417	18282	90783
		48443	38437	51523	42670	44380	226309
		7.7	5.2	9.2	4.9	5.0	6.1
FEB	72	24528	16619	17448	16415	18214	93736
		49796	43017	51925	43590	45489	234677
		7.9	5.8	9.3	5.0	5.1	6.3
MAR	72	30148	18605	21140	30315	23150	123862
		58926	46970	60445	64041	52845	284069
		9.4	6.3	10.8	7.3	5.9	7.7
APR	72	44258	15740	18226	16865	19539	95203
		48840	43304	54729	43706	45937	237438
		7.7	5.8	9.7	5.0	5.1	6.4
MAY	72	24017	16152	17937	16874	20690	96241
		47628	43828	51820	41566	44342	230093
		7.5	5.9	9.2	4.7	4.9	6.1
JUNE	72	26806	20645	19600	20826	25387	113792
		54129	49611	56998	49526	52843	263995
		8.5	6.7	10.2	5.6	5.9	7.1



DIVISION OF RAILWAY AND BUS UTILITIES

RAILROAD AND STREET RAILWAYS

During the fiscal year the Division of Railway and Bus Utilities made 8117 inspections of rolling stock, including passenger and freight cars, street railway cars and trackless trolley coaches, 1197 inspections of railroad and street railway bridges, 444 inspections of railroad and street railway stations, 280 inspections of railroad and street railway automatic and interlocking signals, 155 inspections of Remote Control C.T.C. System and interlocking stations and 80 automatic train stops. In addition, switches, derails, foot blocking, bridge guards, crossings and crossing signs were inspected and defective conditions were called to the attention of the proper officials of the companies and corrections were made.

The Division investigated 108 accidents and 68 delays in service on railroads, 76 accidents and 37 delays in service on street railways. There were 81 complaints relative to railroad operations and 29 complaints on street railways investigated and adjusted. There were 132 studies and investigations pertaining to railroads and 49 on street railways. The Division held 45 public hearings pertaining to railroads and 0 on street railways, and issued 32 orders affecting railroads.

MOTOR BUS TRANSPORTATION

At the close of the fiscal year there were 220 persons, associations or corporations, including street railway corporations, operating within the Commonwealth of Massachusetts for the carriage of passengers for hire, as follows:-

Common Carrier Only	20
Charter Only	73
Common & Charter	77
School Bus Operations	<u>50</u>
Total:	220

This represents a total of 97 carriers operating under certificates of public convenience and necessity as common carriers and 150 operating under charter licenses, also 50 carriers other than our regular carriers operating under School Service Permits issued by the Department.

During the course of the fiscal year the Department handled 479 applications for School Service and Special Service Permits; denying 1 such application.

There were 4,755 Bus Permits issued (including duplicates) and 9,542 Bus Drivers' Licenses (including duplicates) for which fees aggregating \$28,468.00 were received.



The Division made 9,476 inspections of buses, 2,185 inspections of bridges over which buses are operated in regular route operations and 20 inspections over routes for new certificates of operation. There were 135 complaints relative to buses investigated and adjusted, and 29 accidents investigated pertaining to bus operations. There were 1,663 drivers examined for bus drivers licenses. The Division conducted 100 public hearings pertaining to bus operation and issued 113 orders relating to bus operation, 25 certificates of public convenience and necessity, 10 new charter licenses and 25 temporary licenses. There were 86 special studies and investigations made regarding transportation in various parts of the Commonwealth, and the Department participated in a number of Interstate Commerce Commission Joint Board hearings relating to bus operation.

Bus Permits Issued (including duplicates)	4,755
Fees Received for Permits (including duplicates)	\$ 8,451.00
Bus Drivers' Licenses Issued (including duplicates)	9,542
Fees Received for Bus Drivers Licenses (including duplicates)	\$20,017.00
School and Special Service Permits Issued	425
Fees Received for School and Special Service Permits	\$ 1,455.00
Bus Inspections	9,476
Fees Received for Bus Inspections	\$11,855.00
Drivers Examined for Licenses	1,663
Fees Received for Bus Drivers' Examinations	\$ 5,743.00
Bus Accidents Investigated	29
Bus Delays in Service Investigated	64
Bus Complaints Investigated	135
Investigations of Bridges on Routes over which Buses are operated	2,185
Inspection of New Bus Routes	20
Special Investigations and Studies on Buses	114
Investigated Bus Operating Violations	209

In addition, the Division made investigations relative to transportation problems arising during inclement weather during the winter months.

#### RAILROAD AND STREET RAILWAYS

Inspections of Rolling Stock, including R.D.C's.	16,586
Trackless Trolley and Street Railway Cars	
Inspections of Railroad and Street Railway Stations	444
Inspections of Railroad and Street Railway Bridges	1,197
Inspections of Railroad and Street Railway Automatic and Interlocking Signals	280
Inspections of Interlocking, C.T.C. and Remote Control Systems	155
Inspections of Automatic Train Stops	81
Accidents Investigated on Railroads	108
Accidents Investigated on Street Railways	76
Delays in Service Investigated on Railroads	68
Delays in Service Investigated on Street Railways	37
Complaints Investigated on Railroads re Operation	81



Inspected Grade Crossings	1,704
Bells Inspected at Railroad Grade Crossings	1,376
Gates Inspected on Railroads	430
Lights Inspected at Grade Crossings on Railroads	1,060
Complaints Investigated on Street Railways re Operation	29

The Division conducted its annual inspection of selected main lines and branch lines of the railroads operating within the Commonwealth. The inspection included the condition of the track, ties and road bed, grade crossings, the condition and location of crossing warning signs (s. 140, C. 160, S. 142, C. 160, General Laws) and of the crossing surface (s. 103, C. 160, General Laws), and 643 railroad bridges.

Although no unsafe conditions were found, several instances of undesirable conditions at some locations made it imperative that immediate corrections be effected. All other noted defects were discussed on the ground with comparable, responsible railroad personnel, and definite maintenance programming established.



ENGINEERING DIVISION

Rules and Regulations relating to the Engineering Division:

D.P.U. 1073-C: requires the filing of reports to the Department where there is a fatality or substantial property damage caused by electricity or gas.

D.P.U. 4980: requires the filing of schedules of additions, betterments and retirements to plant and general equipment accounts by the various utility companies.

D.P.U. 12769: regulates the building of ways over the mains of natural gas transmission companies.

D.P.U. 11725-E and F: regulates natural gas distribution companies.

D.P.U. 16475: Massachusetts Department of Public Utilities Code for Installation and Maintenance of Electric Transmission Lines, for 50 KV and over.

D.P.U. 14899: Rules and Regulations pertaining to the installation and design of automatic shut off valves (fire valves) for use in gas meters.

Chapter 370, Acts of 1963 as amended by Chapter 403 of the Acts of 1968 and Chapter 208 of the Acts of 1970, requires contractors and others to notify the local utility company before digging in the streets. Utility companies are required to file monthly reports to the Division concerning breaks in their facilities in the streets.

Billing and termination procedures for residential customers of gas and electric companies adopted under authority of G.L. Chapter 164, section 76C.



Monthly Reports required by the Engineering Division

1. Odorization reports from gas transmission and distribution companies.
2. Number of fire valves installed by each gas utility company or municipal gas department.
3. Number of gas meters tested each month by each gas company or municipal gas department.
4. System voltage reductions as they occur.
5. System load shedding.
6. Electrical outages of 200 or more customer outage hours.
7. Breaks in gas company facilities in the streets reported monthly.
8. Breaks in electric company facilities in the streets reported monthly.
9. Periodic reports of gas main construction as required by D.P.U. 11725-E.
10. Reports from gas distribution companies monthly showing gas meters tested by Department inspectors.
11. Such other statistical information as required by the Department from time to time.



Plant Accounting

During the fiscal year, the Engineering Division examined the schedules of additions, betterments and retirements to plant and general equipment accounts of the following companies as required by D.P.U. 4980:

Boston Edison Company  
Boston Edison Company Plymouth Nuclear Plant  
Boston Gas Company  
Cambridge Electric Company

Central Massachusetts Gas Company  
FallRiver Gas Company  
Haverhill Gas Company  
Lawrence Gas Company

Lowell Gas Company  
Lynn Gas Company  
Maine Yankee Atomic Electric Company  
Mystic Valley Gas Company

New England Power Company  
North Shore Gas Company  
Northampton Gas Company  
Norwood Gas Company

Vermont Yankee Atomic Plant  
Wachusett Gas Company  
WorcesterGas Company  
Yankee Atomic Electric Company

The related physical property was inspected as required.



Depreciation

Under the law, any municipal light department requesting an increase in their rate of depreciation, over the 3% allowed by law, is required to petition the Department for approval of such increase.

The following municipal light departments were inspected and reports written relating to their petitions for increases in the rate of depreciation:

Boylston Municipal Light Department  
Concord Municipal Light Department

Hingham Municipal Light Department  
Holden Municipal Light Department

Littleton Municipal Light Department  
Marblehead Municipal Light Department

Paxton Municipal Light Department  
Reading Municipal Light Department

Sterling Municipal Light Department  
West Boylston Municipal Light Department



D.P.U. 11725-E requires Department approval of gas main installations over, under or in bridges by all Massachusetts gas companies. The following such installations were approved by the Department after examination of the installation plans for compliance with the Department's regulations.

Berkshire Gas Company, in Lee

Berkshire Gas Company, in Amherst

Lowell Gas Company, in Lowell

New Bedford Gas and Edison Light Company in Mattapoissett

Central Massachusetts Gas Company in Southbridge

Wachusett Gas Company in Leominster

Central Massachusetts Gas Company in Southbridge

Wachusett Gas Company in Leominster

New England Electric System gas companies, Easthampton

Worcester Gas Company, Uxbridge

Brockton Taunton Gas Company in Foxboro

Boston Gas Company on Hingham-Hull boundary

Springfield Gas Light Company in West Springfield

New Bedford Gas and Edison Light Company in Marion

Berkshire Gas Company in Amherst

New Bedford Gas and Edison Light Company in Mattapoissett

A copy of the approval letter is forwarded to the Massachusetts Department of Public Works in each case of a bridge under their jurisdiction.



Pipeline Certifications

In accordance with the requirements of D.P.U. 11725-E, the Department requires that gas mains to be operated at a pressure of 150 psig to 200 psig shall be air tested or hydrostatically tested for tightness. X-rays of welded joints are inspected and methods of construction examined for compliance with the Department's regulations. The following pipelines were certified during the past fiscal year:

24,935 feet of 6" main installed from Hopkinton to Ashland by the Worcester Gas Light Company

8128 feet of 6" welded steel gas main installed in Main Street, Hampden, by Springfield Gas Light Company

600 feet of 12" gas main installed within their LNG facility by Buzzards Bay Gas Company, at South Yarmouth

15,630 feet of 6" steel gas main installed in the Town of Harwich by the Buzzards Bay Gas Company

930 feet of welded steel gas main (12") in the Town of Hingham by Boston Gas Company

3433 feet of 4" main and 5473 feet of 12" main in the Town of Ludlow by the Springfield Gas Light Company



Atomic Energy

Members of the Engineering Division staff made periodic checks of the plant and progress of construction of atomic electric generating plants in Maine, Vermont, Connecticut and Massachusetts.

It should be noted that the utility companies in Massachusetts have a financial interest in each of the foregoing atomic electric plants.

Therefore, this Division, in conjunction with the Accounting Division, must make the same examination of plant for financing purposes as is required by D.P.U. 4980 for all Massachusetts utilities.



Gas Codes and Standards  
D.P.U. 11725

Held meetings of a committee working on adoption of rules and regulations for gas utilization in large commercial and industrial boilers.

Held meetings of committee working on updating and revising the gas appliance code.

Held meetings of committee working on updating and revising the Department's regulations relating to liquefied natural gas plants and facilities.

Held meetings of committee working on updating and revising the Department's regulations relating to gas distribution companies.

Held meetings of committee working on updating and revising the Department's regulations relating to propane plants.

Held conference re: standards for welders working on gas pipelines.

Electrical Codes and Standards

The Engineering Division continued preparation of a proposed Massachusetts Code for Regulation of Underground Electric Supply and Communications Lines.

A Massachusetts Code for Installation and Maintenance of Electric Transmission Lines of 50 KV and over, was issued by the Department during the past fiscal year.



Inspections, Conferences. etc., relating to Liquid Natural Gas  
(D.P.U. 11725-E)

Made regular inspections of operations at the Boston Gas Company liquefied natural gas facility at Commercial Point, Boston. From time to time held conferences on technical questions.

Study, conferences and preparation of Department order relating to construction of liquid natural gas facilities at Hopkinton by the Worcester Gas Light Company, including conferences on allowable sound levels.

Made regular weekly inspections of X-ray films of welds and inspected construction at Easton LNG facility of Brockton Taunton Gas Company

At Acushnet, made weekly inspections of progress of construction and examination of X-rays of pipe welds on New Bedford Gas and Edison Light Company's LNG facility.

Held conferences with the State Department of Public Safety re: jurisdiction over LNG plants.

At Ludlow accompanies the Chairman of Board of Selectmen on inspection of site of proposed LNG facilities to be erected by the Springfield Gas Light Company; held conferences with him re: same; met with the Fire Chief of the Town re: technical questions relating to the proposed plant and discussed fire protection methods, etc.; also held conferences with Springfield gas Light Company engineers re: proposed plant.

Held conferences and inspected proposed site in connection with petition of the New England LNG company for authority to build an LNG facility in the City of Fall River,

Attended conferences with the State Department of Public Safety re: safe venting of LNG vapors from shipload storage.

Held hearing and made study of petition by Brockton Taunton Gas Company for location of storage facilities in the Town of Marshfield.

Witnessed pressure test of LNG tank at Hopkinton in connection with LNG facilities being constructed there by the Worcester Gas Light Company.

Conducted investigation and held hearing re: petition of the Haverhill Gas Light Company for authority to construct and operate LNG facilities,

Conducted investigation and hearing re: petition of the Lowell Gas Company for authority to construct LNG facilities in the Town of Wilmington.



Inspections, conferences, etc. relating to LNG, continued

Held meeting with engineers from the Holyoke Gas and Electric Department re: proposed building of LNG facilities. Also conferred with regard to supply of water for the proposed plant's fire protection.

Made weekly inspections of X-ray films of welds on tank being constructed for LNG use at Hopkinton for Worcester Gas Light Company; inspections of appurtenant facilities as required.

Made weekly inspections of Lynn and Salem LNG facilities of New England Electric System gas companies. Inspected X-ray films of welds on tank and checked pressure tests as required.

Made regular inspections of progress of construction, X-ray inspection, pressure tests, etc. as required for LNG facility being constructed at Everett by Distrigas Corporation.

Held conferences with engineers from the Westfield Gas Department re: plans for construction of liquefied natural gas facilities and proposed fire protection plans for the installation.



Gas Inspection

Inspected operation of proposed new design gas equipment in plant which is in the research stage, for possible acceptance later in Massachusetts.

Inspected operation of gas fired equipment at Cambridge and held conference with the local gas inspector at his request to discuss technical problems and to insure safe operation.

Inspected gas facilities at housing development in the City of Worcester for compliance with the State Gas Code and recommended ways to insure safe operation at conference with the developer and installer of the equipment.

At Chicopee examined gas fired equipment for kiln in sheet metal shop at a school for compliance with rules and regulations for safe operation.

At Adams examined gas regulator pit at request of local authorities to insure compliance with gas regulations.

Inspections of gas facilities in various commercial establishments for compliance with gas regulations, and rendered technical assistance as required.

Inspected plastic pipe installation by New Bedford Gas and Edison Light Company at Mattapoisett for compliance with the Department's regulations in D.P.U. 11725.

Inspected site of proposed crossing by developer over high pressure main of Tennessee Gas Pipeline Company for compliance with the Department's rules and regulations in D.P.U. 12769,

Attended demonstration showing various properties of plastic pipe. This is part of a study of plastic pipe preparatory to revision of the Department's gas distribution code.

Continued survey of breaks in gas company facilities in the streets by contractors and others excavating. Held conferences with constructors and utility company engineers re: ways of avoiding such damage in the future.

At Falmouth, inspected gas fired equipment and held conference with local authorities re: ways to insure safe operation.

Witnessed and approved two pressure tests on distribution system of the Buzzards Bay Gas Company per D.P.U. 11725-E.

At Malden, examined gas equipment in industrial plant and conferred with local authorities at their request to insure safe operation.



gas inspection, continued

Inspected site of proposed road over Tennessee Gas Pipeline Company main in Peabody, for compliance with D.P.U. regulations in D.P.U. 12769.

Checked pressure tests on Algonquin Gas Transmission Company system for compliance with Department of Public Utilities and Department of Transportation standards.

At Hatfield, inspected gas fired equipment installed in industrial plant to insure safe operation and compliance with state safety standards.

Inspected installation of large number of heaters and accessories in industrial building to insure safe operation and compliance with gas safety rules. This inspection was made at the request of the local authorities.

At Burlington, inspected site of proposed pipeline crossing by developer over high pressure pipeline of the Tennessee Gas Pipeline Company for compliance with D.P.U. 12769.

At Hatfield, examined gas facilities in industrial building for safe operation and to insure compliance with gas safety standards.

Made inspection and ran tests on new design shut off valve for use in gas meters in Massachusetts.

At Fitchburg, made inspection of gas fired equipment at the request of local authorities and recommended ways to insure safe operation.

Made inspection of new design shut off valve for use in gas transmission systems and held conferences with representatives of transmission companies pertaining to the prevention of vandalism.

At Buzzards Bay Gas Company, witnessed gas pressure tests and approved same per D.P.U. 11725-E.

At Woburn, made inspection of installation of gas fired equipment and rendered technical assistance to insure safe operation and conferred with local authorities re: compliance with gas safety standards.

Inspected proposed road crossing over Algonquin Gas Transmission Company pipeline in the Town of Braintree for compliance with D.P.U. 12769.

Inspected proposed sites of road crossings over high pressure pipeline of Tennessee Gas Transmission Company at Methuen and Peabody for compliance with the Department's regulations in D.P.U. 12769.



Gas Inspection, continued

Continued survey of gas meter testing program by Massachusetts Gas Companies.

Examined gas fired industrial equipment at Framingham at request of local authorities for compliance with gas safety standards.

At Marshfield, held several conferences with local authorities at their request and rendered technical assistance as required on various commercial gas installations.

Inspected operation of gas fired equipment at industrial plant in Bridgewater and held conference with local authorities as to safety measures.

Made inspection of plastic pipe installation on distribution system of Blackstone Gas Company for compliance with the Department's regulations in D.P.U. 11725-E.

Inspected operation of gas fired equipment in Stoughton at the request of the town authorities and held conference re: safety standards.

At Berkshire Gas Company, held conference with their engineers re: master metering arrangements for proposed housing complex.

At Amherst, inspected site of gas equipment installed at the University of Massachusetts and rendered technical assistance as required.

At Randolph and Westport, inspected sites of roads to be built over Algonquin Gas Transmission Company facilities for compliance with Department regulations in D.P.U. 12769,

At Methuen and Peabody examined proposed sites of roads to be built over gas mains of Tennessee Gas Pipeline Company by developers for compliance with the Department's regulations in D.P.U. 12769.

Performed odorization tests on gas cylinder at the request of consulting engineering firm.

At Lee, witnessed pressure test on gas transmission system of the Tennessee Gas Pipeline Company.

At Easthampton, checked proposed road crossing over transmission main of Tennessee Gas Pipeline Company for compliance with the Department's regulations in D.P.U. 12769.



Electrical Investigations, inspections, etc.

Inspected progress of construction at Boston Edison Company's nuclear plant at Plymouth, as required by D.P.U. 4980.

Made regular inspections of operations at the Yankee Atomic Electric Company plants at Wiscasset, Maine, Vernon, Vermont and Millstone, Connecticut, as required by D.P.U. 4980.

Inspected plant at Bear Mountain Facility of the New England Power Company, periodically, as required by D.P.U. 4980.

Prepared engineering reports on investigation of causes of various electrical outages.

Prepared reports on present status of electric power supply for this winter and for next summer.

Made periodic physical inspections of Boston Edison Company additions and betterments.

Made sound level readings at Danvers Municipal Light Department substation following complaints including both day and night readings.

Made investigation and submitted report on accidental electrocution in Methuen.



Conferences, Gas and Electric, held in conjunction with the Division's work during the year.

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Held conference with Boston Edison Company relating to their proposed new rate filing.

At Swampscott, at the request of town authorities, held conference re: gas facilities installed in nursing home and recommended ways to insure safe operations.

Attended meetings of the Massachusetts Corrosion Committee.

Held meeting of technical advisory committee for Salem Harbor to discuss siting and ecological problems for electric generation sites.

Held conference re: construction of liquefied natural gas facility at Easton by the Brockton Taunton Gas Company.

Held conference at Malden at the request of city officials re: gas fired equipment installed in industrial plant and rendered technical assistance to insure compliance with gas safety requirements.

Held conference with developer and installer of gas facilities at a housing development in the City of Worcester to insure compliance with gas safety standards.

Made study and prepared draft of zoning exemption for #2 generating unit at the Canal Plant.

Held conferences with Cape and Vineyard Electric Company re: causes of outages.

At North Adams, held conference re: welding problems in connection with gas pipelines.

At Pittsfield, examined total energy unit at Berkshire Gas Company plant.

At Rockland, examined progress of gas inspection department in resolving technical problem relating to gas installation.

At Plymouth, held conference with town officials at their request to discuss ways of insuring safe operation of gas equipment.

Attended meetings of the New England Power Pool Operations Committee.

Held meeting with Fire Chief of the Town of Easton and engineering personnel from the Brockton Taunton Gas Company for discussion of fire protection methods and arrangements at the Brockton Taunton LNG facility.



Conferences, Gas and Electric, continued

Held meeting with gas inspectors for the Cape area for discussion of proposed amendments to gas code and discussion of policy matters.

Held meeting at the University of Massachusetts Medical School at Worcester re: certain gas fired equipment installed therein and rendered technical assistance to assure compliance with the state safety regulations,

Held meeting with local authorities of the town of Marshfield Health Department re: questions of compliance with safety regulations for two commercial establishments having gas fired equipment.

Held conference with Algonquin Gas Transmission Company re: their plans for re-testing of their transmission system,

Held conference with Stoneham Fire Chief at his request with regard to technical gas questions.

Held conference with city officials of Fitchburg re: industrial plant gas installation and compliance with the gas safety standards.

At Berkshire Gas Company held meeting with the engineering staff re: gas installations at the University of Massachusetts at Amherst.

Held conference with gas inspector and personnel from the State Department of Public Safety, and Superintendent of construction and viewed site of propane accident at Lowell Technological Institute.

At Plymouth, made investigation of restaurant fire and gave technical advice on new appliances, clearances from combustible surfaces and other matters in order to insure compliance with gas safety regulations.

At Brockton Taunton Gas Company held conference re: matter of contractor damaging certain facilities of the company and discussed ways of avoiding such damage in the future.

Held conference at East Bridgewater with local gas inspector at his request and inspected gas fired equipment in industrial building to insure safe operation and compliance with gas safety rules.

Held conference with the U.S. Department of Transportation re: gas pipeline regulations.

Held conference with gas transmission companies re: pipeline regulations and safety standards.



Conferences, Gas and Electric, continued

At Millbury, examined equipment involved in gas explosion and held conference with the Board of Selectmen re: possible causes.

Held meeting with representatives of mobile homes to discuss safety regulations for their gas equipment to be applicable throughout the state.

At Westfield Municipal Gas Department, held meeting with relation to technical problems associated with their proposed LNG facility.

Held meetings of special committee to develop a Massachusetts safety code for direct burial electrical systems.

Held meetings of Northeast Commissions Power Staff Committee and Northeast Power Coordinating Council.

Attended meeting of the State Department of Public Safety re: safe venting of LNG vapors from shipload storage.

Held conference with large boiler manufacturers re: their standards for construction and safety.

Held conference re: propane tank cars being stored and discussion of safety standards for such installations. Also conference with gas distribution companies in Massachusetts, for such installations.

Held conference with gas company personnel re: new corrosion standards set by the Federal Department of Transportation.

Attended meetings at Holyoke Municipal Light Department re: proposed LNG installation and compliance with the Department's regulations for safe operation.

Attended meeting of Planning Committee of the New England Power Pool.

Attended meeting with Commission and utility company staff re: electric power situation in Massachusetts.

Attended meetings of New England Energy Policy Staff.

Held several meetings with Energy Resources Task Force.

Held meeting with Town of Stoughton authorities at their request re: technical problems relating to gas fired equipment.



Conferences, Gas and Electric, continued

Held meeting with town of Marshfield authorities at their request to discuss technical problems relating to gas installations.

Held conference with Boston Edison Company relating to steam costs.

Conferred with Lowell Gas Company re: interest during construction and plant accounting matters.

Held conference with Cambridge Electric Company accounting personnel re: steam costs and plant accounting matters.

Met with State and Federal Advisory Committee re: proposed Salem/Lynn electric generation site problems.

Attended planning committee meetings of NEPOOL.

Attended meeting of Northeast Commissions Power Staff Committee re: electric generation site proposals, and electric reliability.

Attended Massachusetts Power Siting Commission meeting.

Conferred with New England Electric System gas companies officials at Westboro re: removal of land from plant accounts.

Attended meetings of New England Energy Policy Staff.

Held conferences with several engineering firms re: their plans for gas installations in state buildings, to insure safety of the public and compliance with safety standards.

Held conference with Haverhill Gas Company re: technical questions relating to construction of their LNG facility.

Held conferences with gas distribution companies re: availability of gas supply for school and related problems.

Held conference with Massachusetts propane gas suppliers to discuss certain safety matters including tank testing, relief valves, etc.

Held conference with State Department of Public Safety re: jurisdiction over liquid natural gas plants.

Attended meetings of NEPEX Planning Committee.



Conferences, Gas and Electric, continued

Attended meetings of technical advisory committee for Salem Harbor siting and discussion of ecological factors.

Attended conference with REMVEC and others re: power supply situation for the coming winter.

Conferred with New England Gas and Electric Association re: plant accounting matters for their member companies.

Attended meeting with utility companies to discuss effect of new court decisions on reliability of electric power supply to New England.

Held conference with the U. S. Department of Transportation re: technical problems relating to installation of gas piping and appliances in buildings.



During the fiscal year, the following public hearings were held by members of the Division and Department orders drafted:

D.P.U. 17356	Boston Edison Company	Medway
D.P.U. 17352	Mass. Electric Company	Belchertown
D.P.U. 17358	New Bedford Gas and Edison Light Company	Fairhaven
D.P.U. 17319	New England Power Company	Quincy
D.P.U. 17320	New England Power Company	Quincy
D.P.U. 17337	Mass. Electric Company	Northampton
D.P.U. 17310	Western Mass. Electric Company	Pittsfield
D.P.U. 17285	Brockton Edison Company	Brockton
D.P.U. 17286	Brockton Edison Company	Stoughton
D.P.U. 17279	Boston Edison Company	Everett
D.P.U. 17259	Mass. Electric Company	Danvers
D.P.U. 17216	Western Mass. Electric Company	Wilbraham, etc.
D.P.U. 17225	New England Power Company	Grafton, etc.
D.P.U. 17192	Tennessee Gas Pipeline Company	Hopkinton
D.P.U. 17186	Mass. Electric Company	Saugus
D.P.U. 17187	Mass. Electric Company	Saugus
D.P.U. 17176	New England Power Company	Billerica
D.P.U. 17036	Brockton Taunton Gas Company	Marshfield
D.P.U. 17111	Western Mass. Electric Company	Lee
D.P.U. 17108	Western Mass. Electric Company	Agawam, etc.
D.P.U. 17107	Western Mass. Electric Company	Chicopee
D.P.U. 17137	Brockton Taunton Gas Company	Marshfield
D.P.U. 15972	Buzzards Bay Gas Company	Yarmouth
D.P.U. 17090	New England LNG Company	Fall River
D.P.U. 17064	Haverhill Gas Company-	Haverhill
D.P.U. 17089	Lowell Gas Company	Wilmington
D.P.U. 17036	Brockton Taunton Gas Company	Marshfield



Hearings, continued

Public Convenience & Necessity

D.P.U. 17078	Western Mass. Electric Company	E. Longmeadow etc.
D.P.U. 17106	Western Mass. Electric Company	Ludlow, etc.
D.P.U. 17109	Western Mass. Electric Company	Agawam, etc.
D.P.U. 17110	Western Mass. Electric Company	Lee
D.P.U. 17357	New Bedford Gas and Edison Light	Fairhaven
D.P.U. 17322	New England Power Company	Quincy
D.P.U. 17284	Brockton Edison Company	Easton-Stoughton
D.P.U. 17258	Massachusetts Electric Company	Danvers
D.P.U. 17213	Massachusetts Electric Company	Lawrence
D.P.U. 17215	Western Massachusetts Electric	Wilbraham
D.P.U. 17224	New England Power Company	Grafton, etc.
D.P.U. 17188	Massachusetts Electric Company	Saugus
D.P.U. 17175	New England Power Company	Billerica
D.P.U. 17074	New England Power Company	Wendell

Approval of Location

D.P.U. 17353	Boston Edison Company	Boston
D.P.U. 17321	New England Power Company	Quincy
D.P.U. 17236	Boston Gas Company	Boston
D.P.U. 17238	New England Telephone & Telegrph	Cambridge
D.P.U. 17159	Boston Edison Company	Milton
D.P.U. 17118	Boston Gas Company	Hull
D.P.U. 17093	Boston Edison Company	Newton
D.P.U. 17094	Boston Edison Company	Boston
D.P.U. 17112	New England Te. & Tel. Company	Chelsea-Revere

Rules and Regulations

D.P.U. 11725-E Gas Distribution rules and regulations  
(Section 1)

Rules and Regulations relating to LNG  
Plants (Section 5)

Miscellaneous

D.P.U. 16243 Massachusetts Municipal Wholesale Electric  
Company



Water

During the past fiscal year, the following conferences were held relating to water matters:

At Hinsdale, held conference with local authorities re: formation of a new water company.

At Cheshire, held conference with town officials re: establishment of a new water company.

At Housatonic, held conference re: water company proposed rate increase. Also conference re: distribution system problems.

At Stockbridge held conference with engineers of a newly established water company re: complaints of unsatisfactory quality of water.



### Gas Meter Inspection

During the past fiscal year, 179,376 gas meters were tested and inspected as required by statute. Those meters found to be registering correctly were sealed and badged as required.

One hundred eighty-eight gas meters were tested on complaint and of this number one hundred twenty-nine were found to be registering correctly; i.e. registering within two per cent plus or minus.

### Gas Inspection

During the past fiscal year, 57 tests were made relative to heat content and odorant of the gas supplied by Massachusetts gas distribution companies. There were no violations of the legal standards.

### Electric Meter Inspection

During the fiscal year, twelve residential type electric meters were inspected.

### Electric Complaints

The following complaints were received and processed during the past year relating to electricity:

Shut-off: 211; Billing: 1062; Extensions: 34; Supply: 138; Quality, 57; Miscellaneous, 190; Service: 32.

### Gas Complaints

The following complaints were received and processed during the year:

Billing: 846; Shut-off, 284; Service: 159; Quality: 13; Supply, 27; Miscellaneous, 72; Extensions, 1.

### Fees

During the past fiscal year, \$86,700.50 in fees was collected for the testing of gas meters.

### Electrical Outages

A summary sheet showing electrical outage data for the fiscal year is attached.



Gas Incidents

A total of 159 incidents was reported by the various gas distribution companies. For the most part these were minor incidents involving delayed ignition, plugged ports, etc. Investigations were made whenever the Department's engineers determined they were necessary.

Gas Accidents

Two accidents involving propane, one at Tewksbury, and one at Lowell, were investigated extensively by the Department's engineers. The Department's gas distribution code, already under revision, contains further safeguards to protect the public.



MONTHLY ELECTRICAL OUTAGE REPORT  
 Commonwealth of Massachusetts  
 Department of Public Utilities - Engineering Division

	Jan.	Feb.	Mar.	Apr.	May	June
1. Number of electric companies and municipal electric departments of over 100 ultimate customers	53	53	52	52	52	52
2. Number of above reporting "reportable outages"	11	13	13	10	12	12
3. Number of "reportable outages"	104	193	103	70	89	135
4. Customers affected, thousands	111	202	115	123	143	219
5. Customer-outage hours, thousands	132	302	163	98	124	196
6. Cause of outages, per cent						
a. cable faults	17.3%	15.0%	45.0%	21.0%	21.5%	8.2%
b. equipment failures	17.3%	28.4%	30.4%	23.0%	30.5%	24.4%
c. car hit pole	14.4%	6.8%	6.0%	18.5%	20.0%	17.0%
d. wind, storm, lightning, snow, tree limbs, ice on overhead wires	38.5%	47.0%	9.8%	16.0%	10.0%	38.5%
e. scheduled	2.9%	1.5%	3.9%	10.0%	6.0%	3.7%
f. other	9.6%	1.5%	4.9%	11.5%	12.0%	8.2%
7. Duration of average reportable outage, hours	1.2	1.4	1.4	.8	.9	.9

This report summarizes outage reports as submitted by all electric companies and departments of over 100 ultimate customers, in compliance with our letter of March 18, 1968. Only outages of 200 or more customer outage hours are required to be reported. These are designated "reportable outages."

Total number of customers in companies/departments of over 100 ultimate customers as of December 31, 1969, based on bills rendered, per annual return, page 38, was



DIVISION OF RATES AND RESEARCH

During the fiscal year July 1, 1971 to June 30, 1972, the various utilities and/or common carriers filed with the Division tariffs, schedules and contracts in the number and to the extent indicated below:

Railroads (Freight and Passenger)	702
Gas and Electric	397
Bus and/or Street Railway	34
Steamship	2
Water	7
Aircraft (Freight and Passenger)	1
Telephone	58
Western Union	6
Motor Truck (Examined and Accepted)	3,331
(Examined and Rejected)	684
Annual Motor Carrier of Property and Tow-Car Reports	2,980

In addition to the filings shown above, the Division received, examined and issued formal orders on 182 Petitions seeking a waiver of the statutory filing requirements or of Department rules governing the filing of tariffs.

During the same period, approximately 630 informal conferences were held on rate matters with various officials or representatives of common carriers and other utilities.

Also during this time, the Division received numerous complaints and inquiries regarding rate matters from the utility companies and from customers of the various utility companies. Since most of these inquiries and complaints are received by telephone and thus cannot be considered as official, no count or record is kept. If the personnel of this Division are unable to handle such complaints because of the need for investigation then said complaints are referred to those Divisions which have personnel to make such investigations.

With regard to the Annual Motor Carrier of Property Reports which are required under D.P.U. 13773 to be filed on or before April 30th of each year, the personnel of the Division prepared for mailing approximately



3,200 of the required forms during the month of January. A survey taken during the month of June 1971, revealed that carriers in the number of five hundred (500) had not filed said reports in compliance with D.P.U. 13773. As a result, the Division has forwarded "delinquent notices" to said carriers, advising that if said report was not filed within two (2) weeks of the date of notice the matter would be placed in the hands of the Attorney General of the Commonwealth.

During the same period, the Division prepared and mailed to all tow car operators forms for the filing of an annual report by such carriers performing towing upon the order of the police or other public authority as required under Chapter 469 of the Acts of 1970. Forms were mailed to approximately five thousand (5,000) such carriers. Said reports are required to be filed by March 31st. A survey conducted in May 1972, revealed that approximately six hundred (600) carriers had not complied. Delinquency notices were sent to these carriers advising that if they did not comply the matter would be referred to the Office of the Attorney General.

The Division is continuing its survey of Common Carrier Tariff filings with respect to said tariffs complying with the rules and regulations of the Department. Also, proper postings of tariff supplements is now being done on all tariff filings, especially Agency filings.

During the fiscal year, the Division collected fees for the filing of certain documents in the amount of \$30,937.19.



COMMERCIAL MOTOR VEHICLE DIVISION

At the close of the fiscal year the Division exercised supervision over 7188 irregular route common carriers, 522 regular route common carriers, 7129 interstate carriers, 379 contract carriers and 93 agricultural carriers of property by motor vehicle for hire within the Commonwealth. There were also 10 holders of transportation broker's licenses. The Division issued 134,768 distinguishing plates to registered carriers and received in fees from all sources a total of \$445,791.95.

During the period covered by this report, a total of 1276 public hearings were conducted by the Commercial Motor Vehicle Division of which 840 represented hearings held on new applications or amendments to existing certificates and permits and 436 requests for approval of stock acquisitions and transfer of existing operating authorities.

A total of 1900 complaint hearings were conducted during this period against carriers for failure to render service as a common, contract or interstate carrier within the period of time specified by statute and for violation of sections of Chapter 159B. Investigators of the Division conducted 351 road and cargo checks in all sections of the Commonwealth. Employees of this Division served on or presided at 2 Joint Hearings in conjunction with the Interstate Commerce Commission.

A total of 390 irregular route common carrier certificates, 28 contract carrier permits and 546 interstate licenses were issued from July 1, 1971 to June 30, 1972. The Division processed 70 formal court cases and prepared written reports on 237 formal investigations.

During this same period, after individual hearings, the Division revoked the contract carrier permits and regular and irregular route common carrier certificates of 628 carriers. This action followed evidence that 563 such carriers had either failed to render service for a period in excess of ninety (90) days or had failed to file rates as required by Department order. Of this number 49 were voluntary cancellations. The Division also revoked 1436 interstate licenses for failure to render service as an interstate carrier over the ways of the Commonwealth for a period of one (1) year. In nearly all cases the carrier failed to appear at the scheduled hearing and neglected after notice to supply the Department with any valid reason for non-appearance.

Reciprocal arrangements with 25 States and the District of Columbia were continued in effect. The progressive growth in the work load of the Division is readily seen from comparative statistics over the past five year period.

	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
<u>Total Income</u>	\$332,585.	\$362,544.	\$411,429.	\$414,211.	\$445,791.
<u>Number of Plates Issued</u>	105,942	109,904	125,197	127,270	134,768



During this fiscal period, in the case of interstate carriers, the transfer from the use and displaying external metal distinguishing plates to specially designed decals was instituted and completed in an orderly fashion and with a minima of problems. There was very little confusion considering that during this period the Department issued approximately 55,189 decals.

The Division's continued attempts to eliminate reciprocity with the District of Columbia and 27 other states again was not successful and our continued failure in this respect may have had considerable bearing on the Legislative increase in fees for both common and contract carrier plates.

Extensive investigation and studies were made during this period on the questions and problems resulting from the towing of motor vehicles. These studies were made necessary because of certain police activities and a more rigid enforcement of the Department Order on maximum towing fees as set forth in D.P.U. 15967.

Extensive studies and hearings, both formal and informal, were conducted on the current operations of R.E.A. (Railway Express Agency). The curtailment in rail service and the institution of the so-called "Silver Bullet Service" has made such studies a necessity in order to guarantee to the public the type of service they have been led to expect from this carrier over the years.

A closer tie-in with the Federal Department of Transportation on reports on fatal accidents in which commercial vehicles are involved has been studied and plans formulated and put into effect to a minor degree.

Investigations are continuing on the question of transporting scrap metal on the Massachusetts Turnpike. These studies have been enlarged to include the transportation by motor vehicles of certain gases in various forms both on and alongside the Turnpike.



DIVISION OF INVESTIGATION OF SECURITIES

The purpose of the Division is to administer Chapter 110A of the General Laws, as amended, known as the Sale of Securities Act. This Chapter was enacted August 26, 1921, for the purpose of controlling the sale of securities, to register persons selling the same, and to prevent the fraudulent promotion and sale of fraudulent securities.

The fee for original and renewal registration is \$100 in the case of a broker and \$10 in the case of a salesman; also, a fee of \$10 is required for recording the transfer of a registered salesman from the employ of one broker to another broker. The fee for the filing of a Notice of Intention to Offer for Sale is \$25 and the fee for filing of a petition requiring the approval of the Commission is \$10. Based on these fees, the income for the Division for the fiscal year amounted to \$246,810.

The following comparative schedule shows the income and expense of the Division for the five fiscal years ended June 30th:



<u>OME</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
ker's Registration Fees	\$ 82,800	\$ 98,900	\$115,900	\$101,000	\$101,400
esmen's Registration Fees	68,150	99,150	104,100	98,980	92,920
esmen's Transfer Fees	4,040	6,430	11,190	15,250	7,870
ing Fee to Qualify Securities	22,650	45,575	42,750	26,500	44,250
ing Fee for Petitions	460	270	540	610	370
cellaneous	-	-	36	52	-
<u>Total Income</u>	<u>\$178,100</u>	<u>\$250,325</u>	<u>\$274,516</u>	<u>\$242,392</u>	<u>\$246,810</u>
<u>ENSE</u>					
sonal Services	\$ 66,746	\$ 66,109	\$ 82,667	\$ 84,495	\$ 82,883
inistration	4,424	5,872	5,275	6,537	6,550
<u>Total Expense</u>	<u>\$ 71,170</u>	<u>\$ 71,981</u>	<u>\$ 87,942</u>	<u>\$ 91,032</u>	<u>\$ 89,433</u>
<u>CESS OF INCOME OVER EXPENSE</u> <u>(Credits to General Fund)</u>	<u>\$106,930</u>	<u>\$178,344</u>	<u>\$186,574</u>	<u>\$151,360</u>	<u>\$157,377</u>

### REGISTRATION ACTIVITIES

All brokers and salesmen engaged in the business of selling securities in this Commonwealth must be registered and renewed annually with this Division. During the fiscal year ended June 30, 1972, 1,014 brokers and 9,292 salesmen were registered or renewed, also 787 transfer registrations were issued for salesmen transferring from the employ of one broker to another broker.

Applicants for registration as brokers or salesmen, pursuant to Section 10 of the Chapter, were required to file information statements signed under oath showing their past occupations, criminal records, if any, letters of reference, etc. All applicants for registration as brokers were given an oral examination and a personal interview in order to demonstrate their qualifications for engaging in the securities business. All applicants for registration as securities salesmen were required to take a written examination to test their knowledge of the Massachusetts Sale of Securities Act. This examination is administered every Tuesday at the N.A.S.D. Testing Center, Northeastern University, Boston, Massachusetts, and, upon request, at other N.A.S.D. Testing Centers throughout the country. All applicants are in-



investigated through the Board of Probation to determine whether or not they have any criminal record.

Brokers conducting a general security business were required to file annual statements showing their financial condition. These statements are kept in a separate file and in accordance with Section 12 of the Chapter are not open to public inspection.

#### QUALIFICATION OF SECURITIES

As required by Section 5 of the Securities Act, a Notice of Intention To Offer For Sale, together with certain other relevant information, must first be filed with the Commission before a security may be offered for sale in this Commonwealth. However, certain exemptions to this filing have been provided for in Sections 3 and 4 of the Securities Act. During the fiscal year 1,770 Notices of Intention were filed. In dollar amount these Notices represented millions of dollars invested in various types of security issues by the investing public of this Commonwealth.

Section 11E of our Sale of Securities Act reads in part as follows: "No foreign or domestic corporation shall sell, or offer for sale, any of its securities to any of its employees other than those who are officers thereof, unless such corporation has received general authority from the Commission to make such sale." Pursuant to the provisions of this Section, 17 petitions were submitted to this Division, all of which met the requirements of the statute and were approved by the Commission.

Section 11 of our Sale of Securities Act reads in part as follows: "No person shall sell any security, including periodic payment plan certificates, which is to be paid for upon an instalment or partial payment plan, unless such plan has first been approved by the Commission." Pursuant to the provisions of this Section, 20 petitions were submitted to this Division, all of which met the requirements of the statute and were approved by the Commission.



This Division required reports to be filed annually by 830 corporations, companies, associations and trusts having their securities qualified for sale in this Commonwealth. These reports are examined by the accounting personnel of this Division and are retained on file for the use of the public and, in some instances, are the only reports available for public examination.

560 investment companies, or so-called investment trusts, having their securities qualified for sale in this Commonwealth, were required to file annual reports with this Division. These reports are also examined and analyzed by our accounting personnel and are open to the public for their inspection.

#### INVESTIGATION ACTIVITIES

During the fiscal year, the Division received more than 100 complaints from the public alleging the misuse of customers' funds, failure to deliver stock certificates, over-charge on commission rates and the sale of unqualified securities.

Investigation of these types of complaints disclosed that in most instances the volume of business and the amount of paper work caused a breakdown in the so-called "Back room operations" in certain houses. This condition for the most part has been corrected.

Other alleged violations of the Securities Act have been investigated and disposed of to the satisfaction of all parties concerned or are in the process of being investigated by this division.

Section 20 of Chapter 110A of the General Laws states that "The commission shall investigate all complaints as to the sale of fraudulent securities or the fraudulent sale of securities or the violation of any of the provisions of this chapter which shall be referred to it, and shall report such violations to the attorney general if it considers the public interest so requires." In this connection the Commission voted to send two complaints to the Attorney General's Office.



After review of the first complaint, the Attorney General presented evidence to the Middlesex Grand Jury at Cambridge. The Grand Jury indicted two persons for violating Sections 5 and 9 of Chapter 110A. The Defendants were arraigned before the Middlesex Superior Court and pleaded not guilty. The court continued the matter without setting a date certain for trial.

The Attorney General, after review of the second complaint, presented evidence to the Suffolk County Grand Jury at Boston. The Grand Jury indicted one person for violating Sections 5 and 9 of Chapter 110A. The defendant was arraigned before the Suffolk County Superior Court and pleaded not guilty. After a trial, the defendant was found guilty and fined \$1,000.00 by Judge Allen M. Hale at Suffolk Superior Court, on charges of selling Securities without being registered as a broker or salesman. Judge Hale stayed the fine pending the defendants appeal to the Supreme Judicial Court.

#### SECURITIES LAW REVISION

Two years ago a special Advisory Commission to recommend changes in the Commonwealth's Laws relating to the promotion and sale of securities, was named by His Excellency Governor Francis W. Sargent. This Commission, after a study, recommended that the Uniform Securities Act be adopted and as a result the Governor filed Senate Bill No. 1174, an Act establishing the Uniform Securities Act. This legislation was passed by the Legislature in the current session and signed by the Governor on July 13, 1972, to become effective on November 1, 1972. For the administration and enforcement of the Uniform Securities Act, Chapter 110A, the Securities Division will be transferred from the Commission of the Department of Public Utilities to the Secretary of the Commonwealth.

#### CONCLUSION

No Securities Law, however well designed, can be better than its administration.

This Division is a small Agency of the State Government in terms of its



budget and personnel and during the past three fiscal years has operated under difficult conditions involving a very heavy workload. The Division has concentrated its efforts on trying to stop at the source any type of security issue that would tend to work a fraud upon the investing public.

The Division has a close working relationship with the United States Securities and Exchange Commission, the National Association of Security Dealers, the Boston Stock Exchange and other State Regulatory Agencies. The Division expresses its appreciation to these Agencies for their cooperation with this Division in regulating the promotion and sale of securities.





